

Calvin Coolidge Says:

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NORTHAMPTON, Mass., Nov. 19.—When prices are high the value of the dollar is low. When prices fall the dollar rises. For that reason it is apparent now how wise it has been to reduce the national debt. It was done when the dollar was low and therefore more easy to get. Now that it is higher it will be more difficult to pay the debt. It takes more products to get the dollar.

Another advantage is the saving in interest. We have paid about five-thirteenths of the national debt, which, with refunds at lower rates, has reduced the yearly interest about a half billion dollars. Otherwise the present decrease in revenues from declining trade would force a heavy increase in taxes at a time when the country can least afford to pay them.

Probably increased taxes can be avoided, but apparently debt reduction will be curtailed. Past governmental economies produced a surplus which reduced our debt and taxes and makes it much more easy to handle declining revenues. We may need some more old-fashioned governmental economy. Certainly it is a time to save all public money consistent with a policy of giving employment.

CALVIN COOLIDGE